ARTICLE APPEARED ON PAGE 1.

BALTIMORE SUN 5 December 1981

Reagan adds to powers of spy agencies

By Walter Taylor Washington Bureau of The Sun

Washington—President Reagan yesterday broadened the authority of the Central Intelligence Agency and other U.S. intelligence agencies to obtain information from and about American citizens, even if they are not suspected of being agents of a foreign country.

Among other things, the president, in an executive order signed at the White House, authorized for the first time covert activities by the CIA within the United States and, in some limited instances, the infiltration by the agency of private organizations operating in this country.

In announcing the action, Mr. Reagan, in a prepared statement, said he was seeking to fulfill his campaign pledge "to revitalize America's intelligence system."

"These orders are designed to provide America's intelligence community with clearer, more positive guidance and to remove the aura of suspicion and mistrust that can hobble our nation's intelligence efforts," the president said.

Several civil liberties organizations, including the American Civil Liberties. Union, took a dimmer view of the directives, but generally their criticisms were muted. Jerry J. Berman, ACLU legislative counsel, asserted that the administration, under pressure from two congressional watchdog committees, had retreated "from many of its most dangerous proposals."

Indeed, the order signed yesterday by Mr. Reagan, to replace an existing set of intelligence guidelines imposed in 1979 by President Carter, were considerably more restrictive than versions circulated by the administration earlier this year.

As recently as September, for example, the administration was pressing for changes that would have given the CIA a far greater role in domestic counterintelligence activities, until now within the exclusive purview of the FBI. Among the new authorizations proposed in the September draft, according to congressional intelligence committee sources, was permission to seek to "influence" the activities of private organizations within the United States.

These sources said members of the Senate and House Intelligence Commit-

tees had objected to this provision as possibly reopening the door to such illegal past activities as Operation Chaos, in which the CIA sought to disrupt antiwar and civil rights organizations in the 1960s and 1970s.

As issued, the new order bans efforts to influence activities of domestic organizations by the CIA unless there is reason to believe the group is acting on behalf of a foreign power.

Reagan administration officials who briefed reporters on the new guidelines yesterday acknowledged that the final orders had incorporated a majority of the changes proposed by the intelligence committees.

Thus, congressional reaction to the new rules generally was favorable on both sides of the political aisle.

Senator Daniel Patrick Moynihan (D, N.Y.), cochairman of the Senate Intelligence Committee, referred to the changes and said they reaffirmed the effectiveness of congressional oversight.

"The first drafts left the impression that we might be authorizing a new domestic mission for the Central Intelligence Agency," said Mr. Moynihan. "The process ends, after months of consultation between Congress and the executive, with orders that make it clear that the mission of the CIA is abroad."

The Reagan order, the implementation of which is subject to continuing review by the two congressional committees, makes the following changes from the more restrictive Carter guidelines:

- Permits surveillance of U.S. citizens and corporations abroad in the course of intelligence or counterintelligence pursuits. The previous order banned such activity unless there was reason to believe the object of the surveillance was an agent of a foreign power, was engaged in terrorist activities or was engaged in drug trafficking.
- Permits CIA "special activities" covert actions—within the United States for the first time with specific approval of the attorney general, so long as the opera-

tions were not intended to influence purely domestic activity. Mr. Carter's order and all previous regulations or laws banned such operations by the agency.

• Permits the collection of "significant" foreign intelligence in the United States by the CIA so long as it is not the aim of the agency to acquire information about domestic activity of U.S. citizens. The previous rules limited such intelligence to commercial information or information about individuals spying for another country.

• Permits the head of an agency to appeal to the National Security Council the disapproval by the attorney general of an intelligence-related action on purely policy grounds. Disapproval on constitutional grounds would not be subject to appeal. Under the previous rules, the attorney general had veto authority in either instance.

 Permits for the first time the infiltration and the attempted influencing of an organization operating in the United States if it is composed primarily of non-American citizens and is reasonably believed to be acting on behalf of a foreign power.

At the White House briefing for reporters, which included Edwin W. Meese III, chief White House policy aide, and Bobby R. Inman, deputy CIA director, emphasis was placed on the administration's desire to protect civil liberties even as the charter for the intelligence community was being broadened.